

# State of South Dakota

SEVENTY-EIGHTH SESSION  
LEGISLATIVE ASSEMBLY, 2003

580I0355

## HOUSE BILL NO. 1152

Introduced by: Representatives McCaulley, Christensen, Cutler, Koistinen, and Rave and  
Senator Knudson

1 FOR AN ACT ENTITLED, An Act to eliminate the confidentiality provisions concerning certain  
2 video lottery information and require certain reports.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 42-7A-50 be amended to read as follows:

5 42-7A-50. Information and records of the South Dakota Lottery are confidential, except for  
6 official purposes, and may not be disclosed except to officers, employees, or legal representatives  
7 of the Department of Revenue for the purpose of and only to the extent necessary in the  
8 investigation and audit procedures authorized by Title 10 or in accordance with a judicial order.  
9 No person may use a subpoena, discovery, or other applicable statutes to obtain such information  
10 or records. Information and records considered confidential include:

- 11 (1) Applications, credit, and security checks of lottery retailers, licensees, and persons  
12 seeking or doing business with the lottery;
- 13 (2) ~~Marketing, financial, or sales data, the disclosure of which may be harmful to the~~  
14 ~~competitive position of the South Dakota Lottery, its retailers, licensees, or persons~~  
15 ~~seeking or doing business with the lottery;~~



1       (3)    Audit work papers, worksheets, and auditing procedures used by the lottery, its agent,  
2            or employees; and

3       (4)    Tax returns of individual licensees.

4       However, this section may not be construed to make confidential the name of any video  
5   lottery operator including, if the video lottery operator is a partnership, the name of any partner  
6   and, if the video lottery operator is an association or corporation, the name of any director, any  
7   officer, and any stockholder who owns five percent or more of the stock in the association or a  
8   parent or subsidiary corporation.

9       Section 2. That chapter 42-7A be amended by adding thereto a NEW SECTION to read as  
10   follows:

11       The provisions of § 42-7A-50 do not apply to this section. A video lottery licensee shall file  
12   with the South Dakota Lottery at the time of license renewal:

13       (1)    The number of video lottery machines owned by the licensee;

14       (2)    The number of video lottery machines sold by the licensee;

15       (3)    The percentage of the video lottery net machine income that the licensee received in  
16            the past license year; and

17       (4)    The licensee's net income from the sale, lease, use, maintenance, and service directly  
18            attributable to the licensee's video lottery operations within the State of South  
19            Dakota.